

## Chapter 01 - Contract Law - A General Introduction

### True / False

1. The common law of contracts is the law created by state legislatures.

- a. True
- b. False

**ANSWER:** False

2. The only Restatement of law produced by the American Law Institute is on contracts.

- a. True
- b. False

**ANSWER:** False

3. The Uniform Commercial Code contains seven articles, with Article 2 focusing on sales.

- a. True
- b. False

**ANSWER:** False

4. UCITA has only been passed by two states.

- a. True
- b. False

**ANSWER:** True

5. E-Sign is the electronic signature law passed by the U.S. Congress.

- a. True
- b. False

**ANSWER:** True

6. Corbin wrote the only legal treatise on contracts.

- a. True
- b. False

**ANSWER:** False

7. Warranty requirements can be found in the Magnuson–Moss Act.

- a. True
- b. False

**ANSWER:** True

8. The leading hornbook for contracts is Calamari and Perillo on Contracts (5th ed. ThomsonWest Publishing 2003) written by Joseph M. Perillo.

- a. True
- b. False

**ANSWER:** True

9. UCITA stands for the Uniform Comprehensive Information Transactions Act.

- a. True
- b. False

**ANSWER:** False

10. The law of domestic sales in the United States is usually governed by Article 2 of the U.C.C.

- a. True
- b. False

**ANSWER:** True

### **Multiple Choice**

11. The common law of contracts was created by

- a. the legislature.
- b. the executive.
- c. judges
- d. attorneys

**ANSWER:** c

12. The Restatement of Contracts was created by

- a. judges.
- b. lawyers.
- c. law professors.
- d. all of the above.

**ANSWER:** d

13. The Uniform Commercial Code consists of

- a. articles.
- b. chapters.
- c. sections.
- d. both a and c.

**ANSWER:** d

14. E-Sign is a law created by

- a. a state legislature.
- b. the U.S. Congress.
- c. the president of the United States.
- d. none of the above.

**ANSWER:** b

15. Consumer protection laws can be passed by
- a. a state legislature.
  - b. the U.S. Congress.
  - c. the federal government only.
  - d. both a and b.

**ANSWER: d**

16. A legal treatise is used as a \_\_\_\_\_ source of the law.
- a. primary
  - b. mandatory
  - c. secondary
  - d. legislative

**ANSWER: c**

17. Electronic transactions are
- a. state law.
  - b. federal law.
  - c. all of the above.
  - d. none of the above

**ANSWER: c**

18. The Uniform Commercial Code consists of \_\_\_\_\_ articles.
- a. twelve
  - b. eleven
  - c. ten
  - d. nine

**ANSWER: b**

19. Stare decisis is a Latin term that means
- a. "stand by the thing decided."
  - b. "stand by the precedent decided."
  - c. "stand for the decision."
  - d. "stand for the case decision."

**ANSWER: a**

20. Article 2 of the Uniform Commercial Code governs which of the following?
- a. Leases
  - b. Secured transactions
  - c. Sales
  - d. Commercial paper

**ANSWER: c**

**Numeric Response**

21. a. common lawb. Uniform Commercial Codec. precedentd. restateментse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook The law of contracts created by the ALI.

- a.
- b.
- c.
- d.

**ANSWER: d**

22. a. common lawb. Uniform Commercial Codec. precedentd. restateментse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Scholarly interpretation of the law.

- a.
- b.
- c.
- d.

**ANSWER: i**

23. a. common lawb. Uniform Commercial Codec. precedentd. restateментse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook State law relating to electronic signatures.

- a.
- b.
- c.
- d.

**ANSWER: g**

24. a. common lawb. Uniform Commercial Codec. precedentd. restateментse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Federal law relating to electronic signatures.

- a.
- b.
- c.
- d.

**ANSWER: h**

25. a. common lawb. Uniform Commercial Codec. precedentd. restateментse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Federal consumer protection law.

- a.
- b.

- c.
- d.

**ANSWER: f**

26. a. common lawb. Uniform Commercial Codec. precedentd. restate mentse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Set of books that provide samples for drafting documents.

- a.
- b.
- c.
- d.

**ANSWER: j**

27. a. common lawb. Uniform Commercial Codec. precedentd. restate mentse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Case law that is followed by other judges and courts.

- a.
- b.
- c.
- d.

**ANSWER: c**

28. a. common lawb. Uniform Commercial Codec. precedentd. restate mentse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Generic state of the law.

- a.
- b.
- c.
- d.

**ANSWER: e**

29. a. common lawb. Uniform Commercial Codec. precedentd. restate mentse. black letter lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook Commercial law that contains articles.

- a.
- b.
- c.
- d.

**ANSWER: b**

30. a. common lawb. Uniform Commercial Codec. precedentd. restate mentse. black letter

lawf. Magnuson–Moss Warranty Actg. Uniform Electronic Transaction Act (UETA)h. Electronic Signatures in Global and National Commerce Act (E-Sign)i. legal treatisej. formbook The law based upon English traditions and created by judges to settle disputes arising out of contractual relationships.

- a.
- b.
- c.
- d.

**ANSWER:** a